

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

**FORM 8-K**

CURRENT REPORT  
PURSUANT TO SECTION 13 OR 15(d) OF THE  
SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): June 28, 2012

**STRATUS MEDIA GROUP, INC.**

NEVADA  
(State or other jurisdiction of incorporation)

000-24477  
(Commission File Number)

86-0776876  
(IRS Employer Identification No.)

1800 Century Park East, 6<sup>th</sup> Floor  
Los Angeles, California 90067  
(Address of principal executive offices)

(805) 884-9977  
(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (See General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act of 1933 (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(e) under the Exchange Act (17 CFR 240.13e-4(c))

**Item 1.01 Entry into a Material Definitive Agreement**

Reference is made to the Consulting Agreement and Separation and Release Agreement described in Item 5.02, below.

**Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers**

Effective June 28, 2012, Jerry Rubinstein, an existing director of the Company and chairman of the Company's Audit Committee, was elected by the Company's board of directors as Chairman of the Board and Chief Executive Officer and a director of the Company's subsidiaries. The Board of Directors of ProElite, Inc. elected Mr. Rubinstein as Chairman of the Board and Chief Executive Officer. The terms of Mr. Rubinstein's engagement are being negotiated. Also, effective June 28, 2012, Paul Feller resigned as the Chairman of the Board, Chief Executive Officer and director of the Company, and also from the same positions in all of the Company's subsidiaries, including ProElite, Inc., the Company's 95% owned subsidiary. In connection therewith, pursuant to a Separation and Release Agreement, Mr. Feller and the Company agreed to terminate his employment agreement and enter into a new Consulting Agreement for a term of two years at a monthly salary of \$20,833, subject to the Company raising at least \$2,000,000 in funding within four months of June 28, 2012. Under the Consulting Agreement, Mr. Feller agreed to provide services in the area of business development, fund-raising and the evaluation of asset/event acquisitions to be done at the discretion of the Board of Directors.

**Item 9.01 Financial Statements and Exhibits**

(d) Exhibits.

<b>Exhibit Number</b>	<b>Description</b>
10.1	Consulting Agreement between the Company and Paul Feller.
10.2	Separation and Release Agreement between ProElite, Inc., Pro Sports & Entertainment, Inc., and Stratus Media Group, Inc., on the one hand, and Paul Feller, on the other hand.

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

STRATUS MEDIA GROUP, INC.

Dated: June 29, 2012

By: /s/ Jerry Rubinstein  
Jerry Rubinstein, Chairman of the Board and Chief Executive Officer  
(principal executive officer)

**Exhibit Index**

<b>Exhibit Number</b>	<b>Description</b>
10.1	Consulting Agreement between the Company and Paul Feller.
10.2	Separation and Release Agreement between ProElite, Inc., Pro Sports & Entertainment, Inc., and Stratus Media Group, Inc., on the one hand, and Paul Feller, on the other hand.



### CONSULTING AGREEMENT

This CONSULTING AGREEMENT (this "Agreement") is entered into as of June 28, 2012 by and between Stratus Media Group, Inc. (the "Company"), a Nevada corporation, with its principal office at 3 E. De La Guerra St, Santa Barbara California 93101, and Paul Feller ("Consultant") (collectively with the Company, the "Parties," and each individually, a "Party"), with reference to the following facts:

WHEREAS, upon the terms and subject to the conditions of this Agreement, the Company desires to engage the Consultant to provide certain consulting services to the Company, and the Consultant desires to render such services.

NOW, THEREFORE, in consideration of the foregoing and the mutual promises and covenants herein contained, the Company and Consultant agree as follows:

1. Engagement of Consultant. The Company hereby engages Consultant to provide consulting services pursuant to this Agreement, and the Consultant hereby accepts such. Consultant acknowledges and agrees that Consultant shall provide such services on a first-priority basis and will not participate in efforts that are competitive to this Agreement.
2. Services. Consultant's services shall be rendered in the area of business development, fundraising and the evaluation of asset/event acquisition for Company and shall be done at the direction of the board of directors. In addition, Consultant shall assist with Company related litigation, including the ongoing shareholder securities actions pending in the Santa Barbara Superior Court.
3. Professional Manner. Consultant agrees to render all services generally and customarily performed in similar capacities in a professional manner in accordance with specifications furnished by Company. Consultant shall promptly comply with all instructions, directions, requests, rules, and regulations of Company in connection with Consultant's services to be rendered under this Agreement.
4. Compensation. Provided Consultant renders services in accordance with this Agreement and subject to Company raising at least Two Million Dollars (\$2,000,000) in funding within four (4) months of execution of this agreement, Company will pay to Consultant the monthly sum of Twenty Thousand Eight Hundred and Thirty Three Dollars (\$20,833), during the twenty-four (24) month term. Said payments to be made at the end of each month.
5. Expenses. Company will only reimburse the Consultant for expenses (1) that were pre-approved by the board of directors in writing, and (2) only upon presentation of expense vouchers or statements or such other supporting information as the Company may require (the "Expense Report").

6. Term. The term of this agreement is twenty-four (24) months. The foregoing notwithstanding and as set forth in section 4 above, in the event Company does not raise at least Two Million Dollars (\$2,000,000) in funding within four (4) months of execution of this agreement, then Company shall have the right to terminate this agreement with thirty days (30) written notice to Consultant.

7. Written Reports. Company may request data and reports from Consultant from time to time. The reports shall be in such form, and include such information and data that is reasonably requested by the Company.

8. Intellectual Property. All right, title and interest in the material, work, results and data developed under this Agreement, including all elements thereof, will at all times belong solely and exclusively to Company for use in any manner or media it may make or authorize throughout the world in perpetuity. Similarly, any and all materials, ideas, or other creative and literary property and Consultant's adaptations and arrangements thereof will belong solely and completely to Company for any use it may thereafter see fit. Any and all inventions, discoveries, developments and innovations conceived by the Consultant during this engagement relative to the duties under this Agreement shall be the exclusive property of the Company; and the Consultant hereby assigns all right, title, and interest in the same to the Company, and Consultant's services shall be deemed those of an employee for hire for copyright purposes. For avoidance of doubt, the results and proceeds of Consultant's services hereunder, including, without limitation, any works of authorship resulting from his services during the Term will be works-made-for hire and Company will be deemed the sole owner throughout the universe of any and all rights of whatsoever nature therein, whether or not now or hereafter known, existing, contemplated, recognized or developed, with the right to use the same in perpetuity in any manner Company determines in its sole discretion without any further payment to Consultant. If, for any reason, any of such results and proceeds will not legally be deemed a work-for-hire, then Consultant hereby irrevocably assigns and agrees to assign any and all of his right, title and interest thereto, including, without limitation, any and all intellectual property rights, copyrights, patents, trade secrets, trademarks and/or other rights of whatsoever nature therein, whether or not now or hereafter known, existing, contemplated, recognized or developed, to Company, and Company will have the right to use the same in perpetuity throughout the universe without any further payment to Consultant. Consultant will use best efforts in cooperating with all requirements or requests by Company and by law to ensure any intellectual property rights contemplated by this Agreement are assigned to Company.

9. Confidentiality. For purposes of this Agreement, "Confidential Information" shall mean: (a) all information regarding the Company and its current and future subsidiaries, affiliates, related entities and investments that is or is intended to be confidential by the Company, including without limitation, business plans, marketing plans, business development and expansion, financial statements and financial information, products, services, vendors, suppliers, customers, contracts, forecasts, projections, sales, marketing and employees and consultants of the Company, and any proprietary, trade secret, or other information that is not in the public domain, as well as any attorney-client privileged or work product information; and (b) information of any third party with respect to which the Company is under obligation to keep confidential; but excluding information that is held not to be confidential by court order.

(a) Consultant agrees that he will maintain the Confidential Information in strictest confidence will not disclose the Confidential Information to any person and will not use the Confidential Information except to assist the Company, and its designated agents, including its attorneys, as contemplated by this Agreement. Consultant shall immediately give notice to the Company of any unauthorized use or disclosure of the Confidential Information. Consultant agrees to assist the other party in remedying any such unauthorized use or disclosure of the other party's Confidential Information.

(b) A disclosure by Consultant of Confidential Information shall not be considered to be a breach of this Agreement or a waiver of confidentiality for other purposes if such disclosure is: (a) in response to a valid order by a court or other governmental body; (b) otherwise required by law; or (c) necessary to establish the rights of the parties under this Agreement; provided, in any case, that Consultant shall provide prompt prior written notice thereof to the Company to enable the Company to seek a protective order or otherwise prevent disclosure of the Confidential Information.

(c) The provisions of this Section 9 shall survive any termination of Consultant's engagement under this Agreement.

10. Miscellaneous; Arbitration.

(a) No Violation of Other Agreements. Each of the parties hereto represents and warrants that execution, delivery, or performance of this Agreement does not conflict with, or violate the terms of, any other agreement to which it is a party or by which it is bound.

(b) Independent Contractor: Limitation of Liability. The Consultant is an independent contractor to the Company, and nothing herein shall be deemed to constitute the Consultant or his agents as an employee or agent of the Company. Consultant is responsible for all reporting of any / all taxes in their jurisdiction that may be due for compensation paid for service rendered under this agreement. Consultant has no power or authority to bind the Company, and shall not make any representation or statement that he has such power.

(c) Notices. All notices, requests, demands and other communications (collectively, "Notices") given pursuant to this Agreement shall be in writing, and shall be delivered by personal service, courier, facsimile transmission or by United States first class, registered or certified mail, postage prepaid, addressed to the party at the address set forth on the signature page of this Agreement. Any Notice, other than a Notice sent by registered or certified mail, shall be effective when received; a Notice sent by registered or certified mail, postage prepaid return receipt requested, shall be effective on the earlier of when received or the third day following deposit in the United States Postal Depository. Any party may from time to time change its address for further Notices hereunder by giving notice to the other party in the manner prescribed in this Section.

(d) Assignment. Neither party may assign its interest in this Agreement or delegate its responsibilities hereunder without prior written consent of the other party, provided that the Company may assign its rights and obligations under this Agreement to any successor by merger or consolidation, to any purchaser of all or substantially all of the assets of the Company or to any subsidiary or parent of the Company.

(e) Severability. The invalidity or unenforceability of any particular provision of this Agreement or portion thereof shall not affect the validity or unenforceability of any other provision thereof. If any provision of this Agreement is adjudicated to be so broad as to be unenforceable, it shall be interpreted to be only as broad as is enforceable.

(f) Counterparts: Governing Law. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. This Agreement shall be governed by, and construed in accordance with, the laws of the State of California.

(g) Headings. The article and section headings in this Agreement are solely for convenience of reference and shall be given no effect in the construction or interpretation of this Agreement.

(h) Arbitration. All claims or disputes between the Company and Consultant arising out of or relating to this Agreement, or the breach thereof, except those claims that may not as a matter of law be subject to arbitration, shall be decided by final and binding arbitration in accordance with the American Arbitration Association, Employment Arbitration Rules and Mediation Procedures (the "AAA Employment Rules"), which can be found at <http://www.adr.org> and are incorporated herein by this reference; further, Consultant represents and warrants that, before signing this Agreement, he has had an opportunity to review the AAA Employment Rules online. Nothing in this Agreement, however, precludes a party from filing an administrative charge before an agency that has jurisdiction over an arbitrable claim or filing any other complaint or charge with a government agency, for example, the Equal Employment Opportunity Commission. Moreover, nothing in this Agreement prohibits either party from seeking temporary injunctive or other equitable relief in aid of arbitration from a court of competent jurisdiction. A neutral and impartial arbitrator shall be chosen by mutual agreement of the parties; provided, however, if the parties are unable to agree upon an arbitrator within a reasonable period of time, then a neutral and impartial arbitrator shall be appointed in accordance with the arbitrator nomination and selection procedure set forth in the AAA Employment Rules. The arbitrator shall prepare a written decision containing the essential findings and conclusions on which the award is based so as to ensure meaningful judicial review of the decision. The arbitrator shall apply the same substantive law, with the same statutes of limitations and same remedies, that would apply if the claims were brought in a California state court of law. The arbitrator shall have the authority to rule on a motion to dismiss and/or summary judgment by either party, and the arbitrator shall apply the standards governing such motions under the California Rules of Civil Procedure. Consultant will be required to pay an arbitration fee to initiate any arbitration equal to what Consultant would be charged as a first appearance fee in court, and, except as so provided, the Company agrees to pay the costs and fees of the arbitrator, to the extent required by law.

**THE PARTIES ALSO UNDERSTAND AND AGREE THAT THIS AGREEMENT CONSTITUTES A WAIVER OF THEIR RIGHT TO A TRIAL BY JURY OF ANY CLAIMS OR CONTROVERSIES COVERED BY THIS AGREEMENT OR TO PARTICIPATE IN A CLASS ACTION. THE PARTIES AGREE THAT NONE OF THOSE CLAIMS OR CONTROVERSIES SHALL BE RESOLVED BY A JURY TRIAL OR IN A CLASS ACTION.**

**THE PARTIES FURTHER ACKNOWLEDGE THAT THEY HAVE BEEN GIVEN THE OPPORTUNITY TO DISCUSS THIS AGREEMENT WITH THEIR LEGAL COUNSEL AND HAVE AVAILED THEMSELVES OF THAT OPPORTUNITY TO THE EXTENT THEY WISH TO DO SO.**

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

**COMPANY:**

**Stratus Media Group, Inc.**

By: /s/ Jerry Rubinstein

\_\_\_\_\_  
Name: Jerry Rubinstein, on behalf of the Company

Date: June 28, 2012

**CONSULTANT:**

/s/ Paul Feller

\_\_\_\_\_  
Paul Feller

Date: June 28, 2012

Signature page to Consulting Agreement between  
Stratus Media Group, Inc. and Paul Feller



## SEPARATION AND RELEASE AGREEMENT

This Separation and Release Agreement ("Agreement"), is made on this 28th day of June, 2012, ("Termination Date"), by and between ProElite, Inc., Pro Sports & Entertainment, Inc., Stratus Media Group GmbH, and Stratus Media Group, Inc. (collectively "Company") on the one hand, and Paul Feller on the other (collectively, the "Parties").

## WITNESSETH

WHEREAS, Paul Feller is the founder, a shareholder and was employed by Company up until June 28, 2012, pursuant to an Employment Agreement; and

WHEREAS, Paul Feller acknowledges that he has been given the opportunity to seek the advice of legal counsel of his choice so as to be fully aware of the rights and remedies he may have as a result of his employment termination; and

WHEREAS, Company wishes to provide Paul Feller with certain benefits in consideration of Paul Feller's promises and covenants as contained herein;

NOW, THEREFORE, in consideration of the foregoing and the mutual promises and covenants herein contained, Company and Paul Feller agree as follows:

1. Paul Feller and Company hereby mutually terminate his Employment Agreement effective June 28, 2012.
2. Paul Feller hereby resigns as an officer, director and employee of Company and any of its affiliates and subsidiaries to include but not be limited to his position as chairman of the board of directors of Stratus Media Group, Inc. and ProElite, Inc.
3. In consideration for this Agreement and incorporated into this Agreement, Company and Paul Feller shall enter into the Consultancy Agreement attached hereto as Exhibit A, which shall be effective June 28, 2012, and as set forth therein shall be for a two year term and, subject to the terms set forth therein, shall include monthly payments of \$20,833.
4. Paul Feller shall receive any unpaid salary from October 1, 2011, through June 28, 2012.
5. Company agrees to pay the premium required to continue Paul Feller and his dependents' medical care coverage under the Consolidated Omnibus Budget Reconciliation Act ("COBRA") for twenty-four (24) months. In the event Paul Feller obtains equivalent or better medical coverage through another employer or through another plan, Paul Feller shall notify the Company immediately at which time Company may terminate the COBRA payments.
6. Paul Feller shall receive any unreimbursed and unresolved Company expenses from October 1, 2011, through June 28, 2012, for which he provides expense reports and supporting documentation that demonstrate to IRS and auditing standards that the expenses were incurred in the performance of his duties as CEO. If said reports and supporting documentation are not provided to Company within sixty (60) days of execution of this agreement, Paul Feller hereby waives any right to reimbursement of said expenses. If said expenses are properly documented and timely submitted to Company, then Company shall reimburse Paul Feller for said expenses within sixty (60) days of its receipt of said expense reports and documentation. In the event that the Company advises Paul Feller that inadequate documentation has been provided for the claimed expenses, Paul Feller shall have seven (7) days to cure said deficiency.

7. Paul Feller is not releasing the Company from liability for any unpaid loans that he may have made to the Company, but this is not confirmation by the Company of the existence or non-existence any such loans.

8. Paul Feller agrees to keep strictly confidential the terms of this Agreement, information learned from his time with the Company, and any attorney client privileged or work product information that Paul Feller has obtained by virtue of his past time with the company are as contemplated by the Consulting Agreement (“Confidential Information”). Paul Feller and Company shall not share this Confidential Information with anyone, except in strictest confidence with his attorney and/or certified public accountant or as required by law. Paul Feller and Company acknowledge signing a non-disclosure and confidentiality agreement with Company and acknowledges that agreement shall remain in full force and effect. This confidentiality provision is of the utmost materiality to this Agreement. In response to any questions about his change in status with the Company, the Parties shall limit their response to:

*“Mr. Feller has (or I have) decided to change my role from day-to-day management and instead assist the company with strategic acquisitions and capital markets. Beyond that, the terms of the parties’ arrangement are confidential, except as may from time to time be required to be disclosed by the Company in SEC filings.”*

9. Paul Feller shall not participate or concur in any remarks or actions that are disparaging or detrimental in any way regarding Company, and its affiliates, subsidiaries, administrators, directors, officers, attorneys, insurance companies, agents, predecessors, successors, heirs, and assigns, whether past or present.

10. The parties agree to a Lock-Up/Leakage Out agreement as follows:

A. For one (1) year following the execution of the agreement (the “Lock-Up Period”), Paul Feller will not sell, assign, pledge or otherwise transfer any of the securities and shares of any type of the Company that he owns including (i) all shares of Common Stock that Paul Feller may receive as a stock dividend or other distribution on shares of Common Stock, and (ii) all other securities of the Company that Paul Feller may receive in a recapitalization or similar transaction (collectively, the “Lock-up Shares”).

B. Section (A) above notwithstanding, Paul Feller may be transfer or sell the Lock-up Shares under the following circumstances (i) all or any portion of the Lock-up Shares as a bona fide gift or gifts, provided that the donee or donees thereof agree to be bound by the restrictions set forth herein, and (ii) all or any portion of the Lock-up Shares to any trust for the direct or indirect benefit of Paul Feller or the immediate family of Paul Feller, provided that the trustee of the trust agrees to be bound by the restrictions set forth herein, and provided further than any such transfer shall not involve a disposition for value. For purposes hereof, “immediate family” shall mean any relationship by blood, marriage or adoption, not more remote than first cousin.

C. In addition, during the Lock-Up Period, Paul Feller will not engage in (i) any short sale of any Lock-up Shares or other Common Stock, (ii) any hedging transaction regarding the Lock-up Shares or other Common Stock, or (iii) any grant of a put or call option regarding the Lock-up Shares or other Common Stock.

D. Following the conclusion of the Lock-Up Period, and for one (1) year thereafter (the “Leak Out Period”), Paul Feller may sell shares as follows: for each trading day, an amount up to 15% of the Daily Trading Volume for the first 45 trading days, up to 20% of the Daily Trading Value for the next 45 trading days and then 25% of the daily Trading Value for the remaining period of the term may be sold. For avoidance of doubt, Paul Feller shall not have the right to carry back or carry forward to any other trading day any shortfall if he fails to sell or transfer the maximum amount permitted hereunder in any trading day. The term “Daily Trading Volume” for any trading day means the average daily trading volume for the previous seven trading days of the Common Stock of the Company as officially reported by the principal securities market in which the shares of Common Stock are listed or admitted for trading (including the Nasdaq Stock Market or the OTC Bulletin Board). In addition, the Company shall have the first right of refusal to purchase any shares being sold pursuant to the above schedule during the Leak Out Period.

E. The undersigned consents to the entry of stop transfer instructions with the Company's transfer agent and registrar against the transfer of shares of Common Stock except in compliance with the preceding provisions of this Agreement. The undersigned also consents to the placement of the following legend on any and all stock certificates that evidence the shares of Common Stock that are the subject of this Agreement:

"THE SHARES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO THE TERMS OF THAT CERTAIN LOCK-UP AGREEMENT BETWEEN THE COMPANY AND PAUL FELLER, DATED AS OF JUNE \_\_, 2012. A COPY OF THE LOCK-UP AGREEMENT MAY BE INSPECTED AT THE PRINCIPAL OFFICE OF THE COMPANY."

11. Voting Rights: At each meeting of the shareholders of the Company at which a vote of the shareholders will take place and in connection with any action by written consent, Paul Feller agrees that, through proxies designated by the Company's board of directors, the Company will vote (or execute such written consent with respect to, as the case may be) all shares of the capital stock beneficially owned by Paul Feller or any affiliate of his or will cause such shares to be voted (or such consent to be executed). In this connection, Paul Feller hereby appoints the Company and any designee of the Company as Paul Feller's proxy and attorney-in-fact, with full power of substitution, to vote or act by written consent with respect to such shares. The voting rights to be so transferred to the Company shall terminate on the earlier to occur of either the first anniversary of the date hereof or the completion of one or more transactions by which any person or entity (and his, her, or its affiliates) becomes the beneficial owner of more than fifty one percent (51%) of the voting power of the Company's securities.

12. Paul Feller agrees to cooperate with Company and provide reasonable transition assistance to Company.

13. Paul Feller shall return all Company property in his possession including, but not limited to, computers, wireless cards, mobile phones, PDAs, credit cards, parking passes, keys, records, files, reports and correspondence in his possession and warrants that he has made no copies of any of the above except personal copies of his own work product.

14. Company shall return all Paul Feller's property in its possession including, but not limited to servers, furniture, software, records, files, reports and correspondence in its possession.

15. Paul Feller agrees that he, or any person acting by, through or under Paul Feller, RELEASES AND FOREVER DISCHARGES Company and its subsidiaries, affiliates, predecessors, successors, attorneys, and assigns, as well as the officers, directors, representatives, agents and fiduciaries, (collectively referred to as "Company", "Employer" or "Released Parties"), and covenants and agrees not to institute any action, or causes of action in state or federal court, or in any manner, based upon or arising by reason of any damage, loss, or in any way related to (1) Paul Feller's employment with Company, (2) the termination of said employment, or (3) his status as a shareholder. This total release includes, but is not limited to, all claims arising directly or indirectly from Paul Feller's status and rights as a shareholder including any claims under the California Corporations Code as well as Paul Feller's employment with the Company and the termination of that employment; claims or demands related to salary, bonuses, commissions, stock, stock options, vacation pay, fringe benefits and expense reimbursements pursuant to any federal, state or local law or cause of action, including, but not limited to, breach of contract, breach of the implied covenant of good faith and fair dealing, infliction of emotional harm, wrongful discharge, violation of public policy, defamation and impairment of economic opportunity; violation of the California Fair Employment and Housing Act, the California Labor Code, the California Constitution; and any claims for violation of the Civil Rights Act of 1866, Title VII of the Civil Rights Act of 1964, the Retirement Income Security Act of 1974, the Age Discrimination in Employment Act of 1967, the Older Workers' Benefit Protection Act of 1990, the Americans With Disabilities Act of 1990, the Equal Pay Act of 1963, and any other Federal or State Law.

**This release shall be a release of all claims, whether known or unknown, and the Parties hereby waive and release all rights reserved to them by Section 1542 of Civil Code of the State of California, which states as follows: "A general release does not extend to claims which the creditor does not know or suspect to exist in his/her favor at the time of the executing release, which if known by his/her must have materially affected his/her settlement with the debtor."**

16. Paul Feller covenants and agrees to forever refrain from instituting, pursuing, or in any way whatsoever filing or aiding any claim, demand, or cause of action or any other matter which was released and discharged herein by Paul Feller arising out of or in any way related to Paul Feller's employment with Company or any of the Released Parties and waives the rights to recovery for any damages or compensation awarded as a result of any lawsuit brought by any third party on Paul Feller's behalf.

17. Paul Feller represents and warrants to Company that he has not assigned or transferred, or purported to assign or transfer, to any person or entity, any claim, demand or cause of action released herein. Paul Feller further represents and warrants that he has not filed any lawsuits, charges, complaints, petitions, or accusatory pleadings against any of the Released Parties with any governmental agency or in any court, based upon, arising out of or related in any way to any event or events occurring prior to the signing of this Agreement, including, without limitation, his employment with Company or any of the Released Parties or the termination thereof.

18. Paul Feller agrees to indemnify and hold harmless Company and the Released Parties against any claim, demand or cause of action (including the payment of attorneys' fees and costs actually incurred, whether or not litigation be commenced), based on or arising out of or in connection with any events covered by this Agreement. Upon execution of the Agreement, only the Agreement may be sued upon by the Parties.

19. It is understood and agreed by the Parties that this Agreement effects a settlement and compromise of all claims and that nothing contained herein shall constitute or be construed as an admission of any wrongdoing or liability whatsoever by either, and that no publicity shall be released in connection with or concerning the terms of this settlement and compromise.

20. This Agreement contains the entire understanding of the Parties. There are no representations, covenants, or undertaking other than those expressly set forth herein. Each acknowledges that they are relying solely upon the contents of this Agreement and that they are not relying on any other promises, representations, or warranties, expressed or implied, not contained herein, concerning the subject matter hereof, to induce them to execute this Agreement in reliance of any such promise, representation or warranty not specifically contained herein. The invalidity or unenforceability of any particular provision of this Agreement or portion thereof shall not affect the validity or unenforceability of any other provision thereof. Any modifications must be in writing and signed by an officer of Company and by Paul Feller.

21. This Agreement shall be interpreted in accordance with the laws of the State of California.

22. Paul Feller acknowledges, understands and affirms that: (a) This Agreement is a binding legal document; (b) the Company advised him to consult with an attorney before signing this Agreement, (c) he had the right to consult with an attorney about and before signing this Agreement, and (d) he voluntarily signs and enters into this Agreement without reservation after having given the matter full and careful consideration.

*[Signature Page Follows]*

IN WITNESS WHEREOF, Paul Feller signs this Separation and Release Agreement this 28th day of June 2012.

/s/ Paul Feller  
Paul Feller

Date: June 28, 2012

---

/s/ Jerry Rubinstein  
Jerry Rubinstein on behalf of Company

Date: June 28, 2012

---